

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

April 12, 2019

Hines Global Income Trust, Inc.

(Exact name of registrant as specified in its charter)

Commission file number: 000-55599

Maryland

(State or other jurisdiction of incorporation
or organization)

80-0947092

(I.R.S. Employer Identification No.)

2800 Post Oak Boulevard
Suite 5000

Houston, Texas

(Address of principal executive offices)

77056-6118

(Zip code)

(888) 220-6121

(Registrant's telephone number, including area code)

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01 Other Events.

Filed herewith as Exhibit 99.1 to this Current Report on Form 8-K is the unaudited pro forma consolidated statements of operations for the year ended December 31, 2018 for Hines Global Income Trust, Inc. and the notes thereto.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

The following exhibits are being filed herewith:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Unaudited pro forma consolidated statement of operations for the year ended December 31, 2018 for Hines Global Income Trust, Inc. and the notes thereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Hines Global Income Trust, Inc.

April 12, 2019

By: /s/ J. Shea Morgenroth
Name: J. Shea Morgenroth
Title: Chief Accounting Officer and Treasurer

HINES GLOBAL INCOME TRUST, INC.
UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

Hines Global Income Trust, Inc. (the “Company”), made the following acquisitions since January 1, 2018:

Property Name	Date of Acquisition	Net Purchase Price
Venue Museum District	September 21, 2018	\$72.9 million
Fresh Park Venlo	October 5, 2018	\$136.3 million
Maintal Logistics	December 31, 2018	\$43.8 million

The unaudited pro forma consolidated statement of operations that follows assumes that all 2018 acquisitions described above occurred on January 1, 2018. An unaudited pro forma consolidated balance sheet is not presented because the Company’s 2018 acquisitions were already reflected in the Company’s consolidated balance sheet as of December 31, 2018.

The unaudited pro forma adjustments are based on available information and certain estimates and assumptions that the Company believes are reasonable and factually supportable. The unaudited pro forma consolidated statement of operations is not necessarily indicative of what actual results of operations would have been had the Company made these acquisitions on the first day of the period presented, nor does it purport to represent the results of operations for future periods. The pro forma information should be read in conjunction with the historical consolidated financial statements and notes thereto as filed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018.

HINES GLOBAL INCOME TRUST, INC.
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2018

	<u>Year Ended December 31, 2018</u>	<u>Adjustments for the Fresh Park Venlo acquisition</u>	<u>Other Adjustments</u>	<u>Pro Forma</u>
	(in thousands, except per share amounts)			
Revenues:				
Rental revenue	\$ 68,006	\$ 11,307 (a)	\$ 7,054 (d)	\$ 86,367
Other revenue	1,063	120 (a)	132 (d)	1,315
Total revenues	69,069	11,427	7,186	87,682
Expenses:				
Property operating expenses	13,774	4,917 (a)	1,687 (d)	20,378
Real property taxes	8,601	261 (a)	907 (d)	9,769
Property management fees	1,845	1,062 (b)	125 (e)	3,032
Depreciation and amortization	32,478	7,510 (a)	5,604 (d)	45,592
Acquisition related expenses	144	—	—	144
Asset management and acquisition fees	5,004	—	500 (f)	5,504
Performance participation allocation	5,954	—	—	5,954
General and administrative expenses	3,131	—	—	3,131
Total expenses	70,931	13,750	8,823	93,504
Income (loss) before other income (expenses)	(1,862)	(2,323)	(1,637)	(5,822)
Other income (expenses):				
Gain (loss) on derivative instruments	(272)	—	—	(272)
Gain (loss) on investments in real estate-related securities	(401)	—	—	(401)
Gain on sale of real estate	14,491	—	—	14,491
Foreign currency gains (losses)	(438)	—	—	(438)
Interest expense	(12,649)	(3,281) (c)	(2,747) (g)	(18,677)
Interest income	261	—	—	261
Income (loss) before benefit (provision) for income taxes	(870)	(5,604)	(4,384)	(10,858)
Benefit (provision) for income taxes	(9)	—	—	(9)
Net income (loss)	(879)	(5,604)	(4,384)	(10,867)
Net (income) loss attributable to noncontrolling interests	(13)	—	—	(13)
Net income (loss) attributable to common stockholders	\$ (892)	\$ (5,604)	\$ (4,384)	\$ (10,880)
Basic and diluted income (loss) per common share	\$ (0.02)	\$ —	\$ —	\$ (0.27)
Weighted average number of common shares outstanding	40,468	—	—	40,468

See notes to unaudited pro forma consolidated statement of operations and notes to unaudited pro forma consolidated financial statements.

Notes to Unaudited Pro Forma Consolidated Statement of Operations
For the Year Ended December 31, 2018

- (a) To record the pro forma effect of the Company's acquisition of Fresh Park Venlo based on its historical results of operations assuming that the acquisition had occurred on January 1, 2018. Depreciation and amortization were calculated based on the fair value of the investment property using a useful life of 40 years and in place lease assets and out of market lease assets and liabilities using a useful life of the remaining lease terms, which are preliminary and subject to change.
- (b) To record the pro forma effect of the property management fee owed to an affiliate of Hines assuming that the acquisition of Fresh Park Venlo had occurred on January 1, 2018.
- (c) To record the pro forma effect of interest expense assuming that the Company had borrowings of \$60.0 million under its credit facility with Hines and the secured mortgage facilities from a third party totaling €75.0 million (approximately \$87.0 million assuming a rate of \$1.16 per EUR on the date of the transaction) related to the acquisition of Fresh Park Venlo had been outstanding on January 1, 2018. The weighted average interest rate for all of the borrowings used to acquire Fresh Park Venlo was 2.50% at the date of acquisition. If interest rates were to increase by 1/8th of a percent, interest expense would increase by approximately \$183,750.
- (d) To record the pro forma effect of the Company's acquisition of Venue Museum District and Maintal Logistics based on their historical results of operations assuming that these acquisitions had occurred on January 1, 2018. Depreciation and amortization were calculated based on the fair values of the investment properties using a useful life of 40 years and intangible lease assets and liabilities using a useful life of the remaining lease terms.
- (e) To record the pro forma effect of the property management fee with respect to Venue Museum District and Maintal Logistics, assuming that the acquisition had occurred on January 1, 2018.
- (f) These adjustments reflect the pro forma effect of the asset management fee owed to an affiliate of Hines, assuming the Company's acquisitions had occurred on January 1, 2018.
- (g) To record the pro forma effect of interest expense assuming the Company had approximately \$45.0 million in permanent financing in place as of January 1, 2018 and borrowings of \$15.0 million under its credit facility with Hines related to the acquisition of Venue Museum District, and €23.5 million (approximately \$26.6 million assuming a rate of \$1.134 per EUR on the date of the transaction) in permanent financing in place as of January 1, 2018 and borrowings of \$14.0 million under its credit facility with Hines related to the acquisition of Maintal Logistics. The weighted average interest rate for all of the borrowings used to acquire Venue Museum District and Maintal Logistics was 3.37% as of the date of acquisition. If interest rates were to increase by 1/8th of a percent, interest expense would increase by approximately \$125,750.

Notes to Unaudited Pro Forma Consolidated Financial Statements

(1) Investment Properties Acquired After January 1, 2018

Venue Museum District

On September 21, 2018, the Company acquired Venue Museum District, a multi-family community located in Houston, Texas. Venue Museum District was constructed in 2009, consists of 224 units, and is 92% leased. The contract purchase price was \$72.9 million, exclusive of transaction costs and closing prorations.

Fresh Park Venlo

On October 5, 2018, the Company acquired the leasehold interest in Fresh Park Venlo, a specialized logistics park located in Venlo, the Netherlands. Fresh Park Venlo is comprised of 23 buildings constructed between 1960 and 2018, and consists of approximately 2,863,630 leasable square feet that is, in the aggregate, 92% leased to more than 60 tenants. The purchase price for Fresh Park Venlo was €117.5 million (approximately \$136.3 million assuming a rate of \$1.16 per EUR on the date of the transaction), exclusive of transaction costs and working capital reserves.

Maintal Logistics

On December 31, 2018, the Company acquired Maintal Logistics, a portfolio of three industrial buildings located outside of Frankfurt, Germany. Maintal Logistics consists of 386,176 square feet and is 96% leased to three tenants. The net purchase price was €38.3 million (approximately \$43.8 million assuming a rate of \$1.14 per EUR as of the acquisition date), exclusive of transaction costs and closing prorations.

The unaudited pro forma consolidated statements of operations assume that all 2018 acquisitions described above occurred on January 1, 2018.